

***Remarks***

Reconsideration of this Application is respectfully requested.

Upon entry of the foregoing amendment, claims 1-11 and 13-23 are pending in the application, with claims 1, 13, 16, and 22 being the independent claims. Claims 1, 4, 13, 14, 16, 17, 19, 22, and 23 are sought to be amended. Claim 12 is sought to be cancelled without prejudice to or disclaimer of the subject matter therein.

Based on the above amendment and following remarks, Applicants respectfully request that the Examiner reconsider all outstanding objections and rejections and that they be withdrawn.

***Objections to the Claims***

Claims 13 and 19 were objected to because of various informalities. Applicants have amended claims 13 and 19 as suggested by the Examiner. Reconsideration and withdrawal of the objection is therefore respectfully requested.

***Allowable Subject Matter***

Applicants note with appreciation the Examiner's indication that claims 3, 7-11, 14, 15, and 18 would be allowable if rewritten in independent form and overcoming the objection to claim 13, including all of the limitations of the base claim and any intervening claim.

***Rejection under 35 U.S.C. §§ 102 and 103***

Claims 1, 2, 4-6, 12, 13, 16, 17, 19, 22, and 23 were rejected under 35 U.S.C. §102(b) as being anticipated by Walter, et al, U.S. Patent No. 5,856,788 (Walter). Claim 20 was rejected under 35 U.S.C. §103(a) as being unpatentable over Walter in view of

Hamel et al, U.S. Publication No. 2004/0113790 (Hamel) and claim 21 was rejected under 35 U.S.C. §103(a) as being unpatentable over Walter in view of Ramamurthy et al, U.S. Publication No. 2005/0104719 (Ramamurthy). Applicants respectfully traverse these rejections.

Walter does not teach or suggest each and every limitation of amended independent claims 1, 13, 16, and 22. Walter describes tags having "two binary states or flags, a first state that takes on an AWAKE or SLEEP state in which the tag is activated or deactivated respectively. A second state takes on an ISOLATED or NOT ISOLATED state in which the tag is independently deactivated or activated on that separate state. All tags enter the interrogation field in the AWAKE and NOT ISOLATED states." (Walter, col. 4, lines 20-27). Thus, Walter does not teach or suggest "wherein the confirmed-read flag retains its value upon removal from and re-entry into the field of interrogation," as recited in amended independent claims 1, 13, 16, and 22.

For at least these reasons, independent claims 1, 13, 16, and 22 are patentable over Walter. Claims 2 and 4-6 depend from claim 1; claims 17 and 19 depend from claim 16; and claim 23 depends from claim 22. For at least the above reasons, and further in view of their own features, dependent claims 2, 4-6, 17, 19, and 23 are patentable over Walter.

Claims 20 and 21 depend from claim 16. Neither Hamel nor Ramamurthy overcome the deficiencies of Walter relative to claim 16 described above. For at least these reasons, and further in view of their own features, claims 20 and 21 are patentable over the combination of Walter and Hamel or Ramamurthy. Reconsideration and withdrawal of these rejections is therefore respectfully requested.

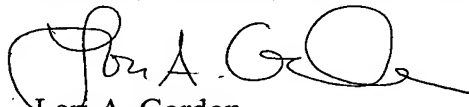
***Conclusion***

All of the stated grounds of objection and rejection have been properly traversed, accommodated, or rendered moot. Applicants therefore respectfully request that the Examiner reconsider all presently outstanding objections and rejections and that they be withdrawn. Applicants believe that a full and complete reply has been made to the outstanding Office Action and, as such, the present application is in condition for allowance. If the Examiner believes, for any reason, that personal communication will expedite prosecution of this application, the Examiner is invited to telephone the undersigned at the number provided.

Prompt and favorable consideration of this Amendment and Reply is respectfully requested.

Respectfully submitted,

STERNE, KESSLER, GOLDSTEIN & FOX P.L.L.C.

A handwritten signature in black ink, appearing to read "Lori A. Gordon", with a stylized flourish at the end.

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